

Exhibit 1

Stipulation

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

AKORN HOLDING COMPANY LLC, *et al.*¹

Debtors.

Chapter 7

Case No. 23-10253 (KBO)

(Jointly Administered)

Re D.I. 849, 865

**STIPULATION RESOLVING ARGO PARTNERS II, LLC’S OBJECTION TO MOTION
OF GEORGE L. MILLER, CHAPTER 7 TRUSTEE, FOR AN ORDER AUTHORIZING
FIRST DISTRIBUTION OF FUNDS TO HOLDERS OF ALLOWED PRIORITY
CLAIMS UNDER SECTION 507(a)(4) OF THE BANKRUPTCY CODE AND
GRANTING RELATED RELIEF**

George L. Miller, the duly appointed chapter 7 trustee (the “Trustee”) for the estates (the “Estates”) of the above-captioned Debtors (the “Debtors”), and Argo Partners II, LLC (“Argo” and, together with the Trustee, the “Parties”), hereby stipulate (this “Stipulation”) as follows:

WHEREAS, on February 23, 2023 (the “Petition Date”), the Debtors commenced these jointly administered bankruptcy cases (collectively, the “Bankruptcy Cases”) by each filing a voluntary petition in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”) for relief under chapter 7 of the Bankruptcy Code.

WHEREAS, on or about the Petition Date, the Office of the United States Trustee appointed the Trustee as the chapter 7 trustee for the Estates of each of the Debtors.

WHEREAS, on or about May 19, 2023, Henderson Constructors Inc. filed a proof of claim asserting a secured claim in the amount of \$2,178,962.06, which proof of claim was docketed on the claims register of Debtor Akorn Holding Company LLC at Claim No. 117 (the “Lien Claim”).

¹ The Debtors in these chapter 7 cases, along with the last four digits of their federal tax identification numbers, and cases numbers are Akorn Holding Company LLC (9190), Case No. 23-10253 (KBO); Akorn Intermediate Company LLC (6123), Case No. 23-10254 (KBO); and Akorn Operating Company LLC (6184), Case No. 23- 10255. The Debtors’ headquarters is located at 5605 CenterPoint Court, Gurnee, IL 60031.

WHEREAS, on or about February 15, 2024, Argo filed a *Notice of Transfer of Claim Other than for Security* [D.I. 754], in which Argo gave notice of the transfer of the Lien Claim from Henderson Constructors, Inc. to Argo.

WHEREAS, on or about July 3, 2024, the Trustee filed a *Motion for an Order Authorizing First Distribution of Funds to Holders of Allowed Priority Claims Under Section 507(a)(4) of the Bankruptcy Code and Granting Related Relief* [D.I. 849] (the “Motion”).

WHEREAS, on or about July 17, 2024, Argo filed an objection to the Motion [D.I. 865] (the “Objection”), in which it asserts, *inter alia*, that the Lien Claim is a fully secured claim with respect to the proceeds of the Trustee’s sale of the Properties (as that term is defined in the Objection).

WHEREAS, following arm’s-length negotiations, the Trustee and Argo wish to resolve the Objection on the terms and conditions set forth below.

NOW, THEREFORE, intending to be legally bound, and subject to Bankruptcy Court approval, the Parties agree as follows:

1. The Trustee shall set aside the sum of \$2,551,000 (the “Henderson Set-Aside Funds”).
2. Within ninety (90) days of the entry of an order of the Bankruptcy Court approving this Stipulation (the “Approval Order”), the Trustee shall file an objection to the Lien Claim with the Bankruptcy Court objecting to the allowance and secured status of the Lien Claim (the “Classification Objection”). The Classification Objection may include any objections that the Trustee wishes to assert to any other aspects of the Lien Claim, including without limitation, to the amount and/or validity of the Lien Claim. In the Classification Objection, the Trustee may request that the Bankruptcy Court reclassify the Lien Claim as a general unsecured claim.

3. The Trustee shall not disburse the Henderson Set-Aside Funds pending either an adjudication by the Bankruptcy Court of the Classification Objection as provided for herein, or further order of the Bankruptcy Court.

4. By no later than the sixtieth (60th) day following the entry of the Approval Order, the Parties shall hold a meet-and-confer session regarding the potential consensual resolution of the Lien Claim and the exchange of information in furtherance of a potential consensual resolution.

5. Argo represents and warrants that, as of the date hereof, it is the sole legal owner of the Lien Claim.

6. This Stipulation may not be materially amended without the express written consent of all Parties and approval by the Bankruptcy Court. In the event that the Parties agree to materially amend this Stipulation, they shall cooperate in good faith as necessary to obtain Bankruptcy Court approval of the Stipulation as amended.

7. Promptly following the execution of this Stipulation, the Trustee shall submit this Stipulation to the Bankruptcy Court for approval together with a certification of counsel. The Parties shall cooperate as may be reasonably necessary to obtain Bankruptcy Court approval.

8. This stipulation and order shall bind all successors and assigns in this and any subsequent cases. The Bankruptcy Court shall retain jurisdiction to enforce the terms of this Stipulation.

Dated: August 30, 2024

COZEN O'CONNOR

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